

## Proxy Voting Summary 2017 Q3

Proxy View is the leading provider of proxy advice services to investors in JSE-listed issuers.

### Focus on Responsible Investment

At Proxy View we encourage investors to practise good corporate citizenship with an underlying investment strategy that seeks to generate both financial and sustainable value in the long term.

We support investors who aim to achieve this by integrating ethical, environmental, social and governance (EESG) issues into their financial analysis and decision-making processes.

Share-owner stewardship – monitoring and engaging with issuers on matters that may affect long-term value - should be a key element of such a strategy.

As part of our own share-owner stewardship drive we produce a quarterly summary of our proxy voting results, reflecting the way in which we would have voted at issuers' AGMs based on our voting policy.

A copy of our voting policy is available on our website as a free download.

#### Proxy View Services (Pty) Ltd

Reg. No: 2017/279051/07

**Directors:** CS Beck TJB Botha CH Kocks BH Pieters

**Tel:** +27 87 820 3160 **Fax:** +27-86-630-4292

**Email:** office.admin@proxyview.co.za

[www.proxyview.co.za](http://www.proxyview.co.za)

PO Box 2404 Cramerview 2060 South Africa

First Floor Falcon House Rivonia Gardens Office Park

33 Wessels Rd Rivonia Johannesburg 2128 South Africa

We also report on any engagement with issuers during the quarter.

### Voting Summary

We limit our research to the top 100 issuers by market capital.

Resolutions	Voted		N/P <sup>1</sup>
	For	Against	
Election / re-election of directors	63	18	
Election of audit committee members	23	19	
Appointment of auditors	0	13	
Authority to issue shares	0	12	1
Authority to issue preference shares	2		11
Authority to issue shares for cash	0	8	5
Providing financial assistance	3	9	1
Buy-back of issuer's shares	0	10	3
Executive remuneration – policy	4	8	1
Executive remuneration – report	5	8	
Amending executive share plans	3	0	10
Chairman's remuneration	0	4	9
Non-executive directors' remuneration	3	10	
Non-executive directors' fees for ad hoc work	1	1	11
Amending the MoI	3		10
Other	11		2

[1] N/P (Not Presented) - Indicates resolutions that were not presented to shareholders for consideration.

Not considered independent after being on the board for 9 years or longer.

Over-extended in terms of other directorships.

Individuals found to be 70 years of age or older.

#### Appointment of auditors

Auditor of the company for over ten years.

#### Authority to issue shares

Not specifically motivated - shareholders should authorise specific transactions.

#### Authority to issue shares for cash

Not specifically motivated - shareholders should authorise specific transactions.



During the period 1 July to 30 September we published 13 Pv Standard voting sheets in respect of the issuers shown on the next page.

Our votes for / against the resolutions put to the vote at these shareholders' meetings are shown alongside.

Our comments in respect of each of these categories where we voted against the resolutions, are briefly as follows:

#### Election of Directors

Individuals were found to be 70 years or older.

Over-extended in terms of too many onerous other directorships.

Tenure of 15 years or longer.

Not considered independent after being on the board for 9 years or longer.

Previously an executive director of the same issuer.

#### Election of audit committee members

Board Chairman not to be a member of the audit committee.

### ***Authority to provide financial assistance***

We do not support providing financial assistance to natural persons.

### ***Authority to do share buy-backs***

No specific reason given - not in issuer's interests.

### ***Amending executive share plans***

We are against a reduction in the period of vesting awarded shares.

### ***Chairman's remuneration as a separate resolution***

Chairperson's fee is proposed to be more than 150% of the fees of a director.

### ***Non-executive directors' fees***

Omnibus resolution.

Chairman earns >150% of the fees paid to a director.

### ***Non-executive directors' fees for ad hoc work***

Omnibus resolution - not possible to approve specific elements.

### ***Executive remuneration policies***

The KPIs are not clear enough.

The policy is unclear and contains no definitive targets.

The policy is lacking in detail.

We find the policy to be vague, with no past or future targets disclosed.

We do not regard the targets to be identified clearly.

### ***Executive remuneration reports***

Targets seem clear, but actual payments are not linked to target.

The policy is unclear and contains no definitive targets.

The disclosure and the application of the policy is not clear enough.

The payments from the bonus pool are largely discretionary.

### ***Amendments to the MoI***

We had no difficulty in deciding whether we would have voted in favour of such resolutions where possible.

### ***General***

Would have voted in favour of a general authority to issue and redeem preference shares, provided these had no rights to convert to ordinary shares.

Would have voted for authority to make political donations where this is effectively a UK or EU necessity.

We believe that it is inappropriate to have an honorary chairman of the issuer appointed whilst a non-executive chairman holds office. We do not support the existence of the position of an honorary chairman, nor that the position should be remunerated at a rate greater than that of an ordinary member.

Would have voted against the remuneration of the lead independent director where the fees are out of line with that of a director.

Would have voted against a director elected to the position of chairman unless he/she is independent.

We do not support directors' fees that are more than 50% above what we regard as reasonable.

Would have voted in favour of the appointment of audit committee members who have limited experience to serve on an enlarged committee alongside experienced members, as a way to build capacity.

### ***Issuer Engagement***

We did not engage with any issuers during the quarter under review.

### ***Issuers for whom we published Pv Standard voting sheets***

Meeting Date	Issuer
17-Jul-17	Allied Electronics Corporation Limited (A Ordinary Shares)
14-Sep-17	Datatec Limited
26-Jul-17	Dis-Chem Pharmacies Limited
10-Aug-17	Investec Limited
10-Aug-17	Investec plc
31-Aug-17	Mr Price Group Limited
25-Aug-17	Naspers Limited (N Ordinary)
18-Aug-17	Novus Holdings Limited
28-Aug-17	PPC Limited
24-Aug-17	Telkom SA SOC Limited
06-Sep-17	The Foschini Group Limited
01-Aug-17	Tongaat Hulett Limited
12-Sep-17	Vukile Property Fund Limited

### ***Call us .....***

Contact us should you need more information about the services we can render, or to assist you in producing a similar voting results summary as part of your responsible investment focus.